

Waterways to transform India's logistics industry

The Inland Waterways Authority of India (IWAI) is gearing up to offer a safe and convenient choice of transport to the pilgrims of the Kumbh Mela. The Vice Chairman of IWAI and the Project Director of the Jal Marg Vikas Project (Varanasi-Haldia, river Ganga), **PRAVIR PANDEY**, in a tête-à-tête with **ANKITA SAXENA**, discusses the thrust of the Government on developing waterways in the country

The logistics sector in India witnessed a new high recently, when the Kolkata-Varanasi and the Kolkata-Patna container cargo route was made operational by IWAI. After this successful endeavour, IWAI is now also assisting with passenger transportation during the largest social congregation, at the Kumbh Mela in Prayagraj. PRAVIR PANDEY, shares the plans in place for a safe and effective mode of transport for pilgrims and elaborates on the big plans towards making the cost-effective and environment friendly, inland waterways a flourishing new transport modal choice in India. Edited excerpts from the interview:

● Every year, the Kumbh Mela receives a large influx of pilgrims to Varanasi. What practical interventions have been made by IWAI to transport the passengers through waterways?

In the past, IWAI provided the ferry services and channel markings during the Ganga Sagar mela at West Bengal and during the Prakash Parv at Patna. At the Kumbh Mela at Prayagraj, IWAI has set up four floating terminals, one each at Kilaghat, Saraswati Ghat, Naini Bridge and Sujawan Ghat. Further, we have placed two vessels—CL Kasturba and SL Kamla, for pilgrim's movement. These vessels have a carrying capacity of 150-200 passengers and they are equipped with all necessary safety measures. In addition, navigational aids will be maintained between Prayagraj and Varanasi with the targeted least available depth (LAD) of one meter. Five temporary jetties at Chatnag, Sirsa, Sitamarhi, Vindhyachal and Chunar have also been set up for the embarkment and disembarkment of the passengers. The services will run from January 15 to March 15. From Kilaghat, the pilgrims will be taken in a merry-go-round on small vessels for the sacred bath. This service will be scaled up during the days of the 'Shahi Snan'. We believe that this service will not only reduce the stress on the cities during the Kumbh Mela, but also offer a scenic and a convenient option to the devotees to enjoy the sacred fair.

● Under the Jal Marg Vikas Project, one of the three multi-modal inland waterway terminals at Varanasi was



recently inaugurated by the PM. What is the proposed operating model of these terminals?

It has been planned to give these terminals to the private players on a PPP mode. Yes, the Varanasi terminal is ready and inaugurated and we have already done the RFQ and are now going to issue the RPF after the approval from the competent authority. At the RFQ stage, we received interest from four big players—Dubai-based DP World, Singapore-based Portek in a joint-venture with India's ACTL, and two other Indian companies—JM Baxi Group and IL&FS. These companies, after proving their technical qualification, will be given the task of Operation and Management (O&M) of the terminals. Keeping the base of the Model Concession Agreement of the Government of India, we will offer the terminals to private players for 30 years on royalty per ton of cargo on revenue sharing basis. Also, though we have completed the Phase-I of all these projects, the rest of the expansion of the terminals will be done by the private players. So, for the full capacity utilisation of the Varanasi terminal, there is still a need of investments worth ₹350 crore, which will be borne by the private operators. This would result in saving the cost on behalf of the government.

● Along the above multi-modal terminal at Varanasi, a Freight Village

has also been planned. What are the reasons for choosing Varanasi for this project and what is expected from it?

A major challenge in the logistics industry is that of last-mile connectivity. Though the operating cost on waterways is much cheaper than other modes of transportation, the cost of loading and unloading of cargo is substantial. We are trying to address this issue with a Freight Village at Varanasi which will serve as a cargo hub and a centre for cargo aggregation and value addition. It will also supplement the development of a professional logistics industry in the city, which will be crucial for the full capacity utilisation of the multi-modal terminal on river Ganga. This logistic hub will be developed over 100 acres of land and will become a designated area where facilities for various modes of transportation, distribution of goods and other logistics are available in a synchronised manner on a large scale. We will develop the necessary infrastructure at more locations for the private players to operate. We have assessed a direct employment generation of 200,000 people and the indirect employment can reach up to 10 lakh persons as the private players will operate it later on. Varanasi proved to be ideal for such a project since it is strategically located as a focal point in the logistics chain of the Eastern Transport Corridor of the country where the National Waterways-1, the Eastern Dedicated

Freight Corridor (EDFC), the National Highway-7 and the National Highway-2 pass through.

● The Government has laid a lot of emphasis on connectivity for the north eastern region. There is talk of developing floating terminals in Arunachal Pradesh. What are your plans for this region?

We are currently operating vessels on river Brahmaputra (National Waterways-2) from Dhubri to Sadiya. We already have a multi-modal terminal at the Pandu Port. Currently, in association with the World Bank, we are trying to explore the possibility of a return cargo from the North East on NW-2 to make it more viable. Another important aspect of developing the north eastern region is the Indo-Bangladesh Protocol Route. We are facing some draft issues on the Meghna river and to address that, a joint dredging operation will be executed there in cooperation with Bangladesh. We can transport cargo from Varanasi to Sadiya in Assam, opening access to 4,000 km of waterways. We are also exploring an alternate route to the North East via the Sittwe Port in Myanmar. This is the Kaladan Multimodal Transit Transport Project, which is being developed at a cost of ₹1,900 crore. It includes a sea port at Sittwe, development of 158 km of the Kaladan river going north, and an inland waterway terminal at Paletwa. It also includes development of 109 km of road to connect with Zorinpui in Mizoram. Once operational, which should be very soon, this crucial route will give ease access to the north eastern part of the country.

● You mentioned that using the waterways as a means of transport can help reduce the carbon footprint of the cargo industry, significantly. On these lines, IWAI had recently announced a pilot project to demonstrate methanol as a maritime fuel. What is the update on this?

Crucial steps have been taken to encourage research on using methanol as a maritime fuel and for riverine vessels. We have given three of our work boats to retrofit engines and six low draft cargo vessels of 1,000-2,000 tonnes capacity to the Cochin Shipyard that will use methanol as fuel with technology from Sweden. Methanol can be

a game changer as the cost of the fuel is just ₹26 a litre. The roadmap for this project is being spearheaded by the Union Minister for Shipping, Nitin Gadkari, who is really passionate about making shipping on the national waterways an economically cheaper and an environment friendly transport option. Under his guidance, we are working on fuel bunkering facilities at intervals of about 500 km on the entire 1,600 km Haldia-Varanasi stretch for ships running on methanol.

● IWAI aims to increase the cargo transportation through IWT on National Waterways in the country from 55 million tonnes currently to 150 million tonnes by 2023, but do we have enough vessels to meet this target? What are the plans in place to add more vessels, if any?

We believe that this target is achievable. Yes, the fact is that currently, we have very few vessels to transport cargo on all the rivers. At the moment, IWAI has 15 operating vessels, which carry items like fly ash, coal, fertilisers and so on. We believe that 1,200-2,400 tonnes vessels will be required to meet the target by 2023. Though our primary job is to make the waterways navigable and equipped for vessels to sail, we have taken a big step towards building confidence in the key players to use waterways as their choice for transportation. Through the World Bank procurement process, we engaged DST Germany, to design ideal ships for the river Ganga. DST Germany has come up with 13 class of ships, ideally suited for the river Ganga which include bulk cargo ships, barge, container ships and car carriers. These require a low draft but have a carrying capacity ranging from 600 to 2,450 tonnes of cargo. After due diligence with IIT Kharagpur, we have displayed these General Arrangement designs, free of cost on our website, so that any ship builder can refer to them. To give you an estimate, an investment of ₹30-50 lakh is needed to design a new ship. That is a direct saving that would accrue to the private sector, who would use the DST Germany designs to manufacture riverine vessels. Though IWAI will also procure around 15-20 vessels, I strongly believe that it is the private sector, which will have to take lead to make this sector more lucrative.

Business Corner



Ramesh Chandra Kaushik, Member of Parliament (Lok Sabha) marked the commencement of works for construction of the rail coach refurbishment karkhana, Sonipat at the bhoomi puja ceremony there. Senior Railway executives Arun Arora, Chief Mechanical Engineer, Northern Railway, Navin Kumar Parsuramka Addl Divisional Railway Manager, Northern Railway, Delhi were also present on the occasion



ICSI Institute of Insolvency Professionals, ICSI Registered Valuers Organisation, Insolvency Professional Agency of Institute of Cost Accountants of India, ICAI Registered Valuers Organisation jointly with Insolvency and Bankruptcy Board of India organised the 'National Conclave on Corporate Insolvency and Valuation' at Sheraton Grand, Pune, Maharashtra on 08th January, 2019. The Conclave was attended by over 125 participants comprising of Company Secretaries, Insolvency Professionals, Registered Valuers, Cost Accountants, Bankers and other Professionals



NTPC is participating in the World Future Energy Summit, 2019 at Abu Dhabi from 14th to 17th January 2019. WFES is a global platform and one of the largest exhibition events in Middle East focused on energy and sustainable development. NTPC has put up a pavilion in the exhibition, which was inaugurated by RK Singh, Minister of State (IC, Power and New and Renewable Energy) on 14th January 2019. Minister also presented a coffee-table book titled 'Powering an Energy-Rich Future' on this occasion in presence of Navdeep Suri, (Indian Ambassador to UAE), Anand Kumar (Secretary, MNRE), AK Gupta, Director (Commercial) and G Venu, ED (Engg.)

BHEL wins largest order for solar photovoltaic plants

PNS ■ NEW DELHI

Bharat Heavy Electricals Limited (BHEL) has won an order for setting up 129 MW Solar Photovoltaic (SPV) power plants in Telangana from Singareni Collieries Company Limited.

Significantly, valued at Rs.565 Crore, this is the largest SPV power plant order won by BHEL till date.

The plants are to be set up at four locations in Telangana - Ramagundam (50 MW), Yellandu (39 MW), Manuguru (30 MW) and Pegadapally (10 MW), on Engineering, Procurement and Construction (EPC) basis. With this order, BHEL's solar portfolio has risen to more than 710 MW.

BHEL has more than three decades of expertise in solar photovoltaic products and services backed by a dedicated R&D setup. BHEL is one of the very few companies in India, having established capability in

major segments of the PV value chain viz., solar cells, PV modules and power conditioning units and systems.

BHEL has significantly contributed to the 'Make in India' initiative of GoI and various initiatives for developing and promoting renewable energy based products and services on a sustained basis. The company has also enhanced its state-of-the-art manufacturing lines of solar cells and solar modules. In addition to this, BHEL is assembling space-grade solar panels using high-efficiency cells at its Electronic Systems Division, Bengaluru.

In addition to solar photovoltaic products, BHEL offers complete EPC solutions from concept to commissioning for both off-grid and grid-interactive SPV power plants in various parts of the country including Lakshadweep and Andaman & Nicobar Islands.

Sebi fines 10 entities for fraudulent trading in Mindvision Capital shares

PTI ■ NEW DELHI

Market regulator Sebi imposed a fine totalling Rs 34 lakh on 10 entities for indulging in fraudulent trading in the shares of Mindvision Capital.

The Securities and Exchange Board of India (Sebi) had conducted an investigation in the trading activities of the company between June 2009 and February 2010.

The probe found that the entities were connected to each other and executed circular trading in the scrip of Mindvision, which resulted in creation of artificial volume.

The total volume that was contributed by the circular trading was 94,745 shares which is 12.5 per cent of the total market volume, Sebi noted.

"The scheme, plan, device and artifice employed by the noticees in this case of circular trading, tantamount to fraud on the securities market in as much as it involves manipulative transactions in securities and misuse of the securities market.

₹ falls 43 paise to end at near 1-month low against US dollar

PTI ■ MUMBAI

The rupee Monday plunged by 43 paise to close at nearly one-month low of 70.92 against the US dollar amid weak industrial output growth data, fall in domestic equity markets and sustained foreign fund outflows.

A weak US dollar against major global currencies and fall in crude oil prices, however, capped losses of the domestic currency.

At the Interbank Foreign Exchange (forex), the rupee opened on a firm note at 70.50 and touched a high of 70.44 per US dollar in early trade.

But it pared early gains later and fell to an intra-day low of 70.95 against the US dollar.

The domestic currency, however, recovered some lost ground and finally settled for the day at 70.92 per dollar, down 43 paise over its previous closing. This is the lowest closing level since December 17 when the rupee closed at 71.56 per dollar.

On Friday, the rupee had weakened by 8 paise to close at 70.49 against the US dollar.

HDFC Securities Head PCG & Capital Markets Strategy VK Sharma said weaker economic data, fall in domestic equity and foreign

fund outflow weighed on the rupee sentiment.

Industrial output growth dropped to a 17-month low of 0.5 per cent in November on account of contraction in the manufacturing sector, particularly consumer and capital



goods.

Meanwhile, the dollar index, which gauges the greenback's strength against a basket of six currencies, dipped 0.11 per cent to 95.56 in late afternoon trade.

Brent crude, the global benchmark, was trading at \$59.63 per barrel, lower by 1.41 per cent.

Meanwhile, foreign funds sold shares worth ₹687.20 crore on a net basis Friday, while domestic institutional investors bought equities to the tune of ₹123.17 crore, provisional data showed.

FinMin wants PSU banks to bring down Govt equity to 52%

PTI ■ NEW DELHI

In a bid to align with the best corporate practices, the Finance Ministry has asked the public sector banks to gradually bring down the government's equity to 52 per cent, a top official said.

"The government is essentially a major shareholder. So, this need to be aligned to the best corporate practices. The shareholding needs to come down to at least 52 per cent in the first phase. As and when market condition allows, banks will take step in that direction. They have all the permission in hand," Financial Services Secretary Rajiv Kumar said.

Dilution of Government stake will help banks to meet 25 per cent public float norms of market regulator Sebi. Some of the public sector banks have Government's holding beyond 75 per cent.

Besides, it will encourage the banks to follow the prudential lending norms.

The country's largest lender State Bank of India (SBI) has already initiated step for Rs 20,000 crore share sale through qualified institutional placement (QIP). Post QIP, the Government stake will be diluted from the existing 58.53 per cent.

Last month, shareholders



of the bank approved sale of shares to fund the business growth.

Many other banks are planning to raise capital through some means or other, depending on the market condition.

Some of the lenders like Syndicate Bank, Union Bank of India, Punjab National Bank, and Oriental Bank of Commerce among others have already issued or in process of issuing Employee Share Purchase Scheme (ESPS).

He further said the Government has also initiated the process for consolidation of Regional Rural Banks (RRBs) to better serve the needs of the rural India.

Recently, the Centre has amalgamated three RRBs — Punjab Gramin Bank, Malwa Gramin Bank and Sutlej Gramin Bank — into a single RRB with effect from January 1.

The central Government, after consulting the sponsor

banks of the three RRBs, felt that in the interest of the banks and the areas served by them, they should be amalgamated into a single RRB.

Besides, Punjab Gramin Bank (PNB), and Uttar Bihar Gramin Bank (UCO Bank) has been amalgamated with Madhya Bihar Gramin Bank (PNB).

While the consolidated RRB in Punjab is called Punjab Gramin Bank, with headquarters at Kapurthala, the one in Bihar has been rechristened as Dakshin Bihar Gramin (based in Patna).

These banks were formed under the RRB Act, 1976 with an objective to provide credit and other facilities to small farmers, agricultural labourers and artisans in rural areas.

Currently, the Centre holds 50 per cent in RRBs, while 35 per cent and 15 per cent are with the concerned sponsor banks and State Governments, respectively.

Ghosn's wife slams 'harsh' Japan detention

AFP ■ TOKYO

The wife of ex-Nissan chief Carlos Ghosn has alleged her husband is being held in "harsh" conditions and subjected to round-the-clock interrogations intended to extract a confession.

In a letter to Human Rights Watch, Carole Ghosn urged the group to highlight the case of her husband, who has been in detention in Japan since his shock arrest on November 19 and faces three charges of financial misconduct.

The nine-page letter says the former high-flying executive is held in cell that is lit even at night, and is denied his daily medication.

"For hours each day, the prosecutors interrogate him, browbeat him, lecture him, and berate him, outside the presence of his lawyers, in an effort to extract a confession," the letter says.

It claims prosecutors have pressed Ghosn to sign documents in Japanese, which he does not understand, providing only an oral translation, and without his lawyer present. "I urge Human Rights Watch to highlight his case... To press the Government to reform its draconian system of pre-trial detention and interrogation," the letter adds.

Ghosn's ongoing detention has prompted some international criticism of Japan's legal system, which permits prosecutors to hold suspects while they investigate an allegation, and also allows lengthy pre-trial detention once charges have been filed.